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PRICE ONE SHILLING.

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PROVED BY

AGRICULTURAL EXPERIENCE, ECONOMIC LAWS, LEGAL RIGHT, ABSTRACT JUSTICE, AND POLITICAL CONSEQUENCES.

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1881.

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PREFACE.

WHY should another pamphlet upon the Land Question be added to the vast number, some of great merit, already given to the public? The reply, as the Author ventures to think, is this: because the question, though ably approached from many different points of view, appears not to have received that careful investigation of its essential principles which is needed for its elucidation; and because it is necessary to examine beforehand the far-reaching effects of ill-considered suggestions, and to guard against legislative specifics that may be ruinous to the country.

Parties on all sides *apparently* agree that only "fair rents" should be exacted; and many are, therefore, ready to adopt any crude suggestion as to a mode of settling between landlord and tenant what should be a "fair rent." They think that by this the whole question can be settled. The truth is, there is no such agreement, but the term "fair rents" is used in the most opposite senses by different parties, while they are under the delusion that they are speaking about the same thing.

The object of the present pamphlet is to ascertain, as a first step, what are the elements out of which rent is produced; and to show from this that any attempt to fix rents, otherwise than by contract, would be unjust and unwise. An effort has been made to bring the question fairly to the tests of agricultural experience, economic laws, legal right, abstract justice, and probable political consequences. It is pointed out that the first inquiry must be, What is the probable gross produce of the land? under what sort of tillage or other management? and upon what scale of prices? (cap. ii. sec. 1). Then what should be allowed for labour and the other cost of production (sec. 2); that there

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would be no more justification for arbitrarily fixing the prices of land than for fixing the prices of its produce; and that the unrestricted enjoyment of property, one of the most precious inheritances of a free people, would be destroyed by such legislative interference. The question of tenant-right is then dealt with, and the claim of the tenant to a fair interest on his capital invested in it considered (cap. ii. sec. 3). From the rules of political economy—the laws of supply and demand—the right to buy in the cheapest and sell in the dearest market (cap. iv.)—it is shown that the disturbance by law, of contracts about land, would be unjust and unwise; that the attempt to fix by statute the price of land would fail, while the confiscating tendency of such laws would remain; and the worst consequences would necessarily follow.

The Report of the Commission on the Land Act, 1870, was not issued until after the foregoing pamphlet was in type. All the Commissioners there admit that the question of "fair rents" lies at the very root of the whole question. The Report ignores the difference between the position of the Ulster tenant, who has paid a large sum for his tenant-right, and other tenants who have not paid anything for their possession. The gross injustice of this will be found exposed in cap. ii. sec. 3.

The suggestions in the Report that rents might be fixed by arbitrators (sec. 51) or a "Standing Committee of Local Arbitrators" (sec. 52) has been completely answered by anticipation in chapter iv., *ante* p. 49. The rules suggested by the Commissioners for ascertaining a fair rent (sec. 54), as well as the distinction attempted to be drawn by them between what ought to be a fair rent in Ireland and "what is known in England as a full and fair commercial rent," are shown in cap. ii., *ante* p. 8, to be fallacious and unsound; and it is proved (p. 69) that any such legislative interference would be unjust to the landlord, contrary to the settled principles of political economy, and dangerous to the permanent comfort and prosperity of the tenants themselves.

"FAIR RENTS"?

CHAPTER I.

I.—General View of the Question.

Outcry against Exorbitant Rents, page 1—Several Modes of Fixing Rents Proposed, p. 2—Different Ideas about "Fair Rents," p. 3—Definitions of Fair Rent by the Land League, the Landlord, and Farmer, p. 4—Sound Principles of Political Economy, as to the Elements of Fair Rent, p. 5.

So much has been said and written of late by land reformers and land agitators about the necessity of introducing into the system of land tenure in Ireland, a compulsory rule of "Fair Rents," "Free Sale," and Fixity of Tenure"—the three F's—that it may be well to consider the subject fairly upon the settled principles of political economy. Men's minds have been so filled with the violence of agitation and the tyranny of terrorism, that it is necessary that they should be brought back to a calm consideration of the subject. There is danger at such a time lest, through panic or haste, or that vague desire to get rid, by any means, of a present difficulty, ill-considered measures may be passed, which contain the seeds

of future difficulty and discontent, and are calculated to plunge the country into greater strife at no distant day. It is, therefore, proposed to consider the subject of "Fair Rents" in reference to the present condition of Ireland.

That "exorbitant rents" have been the cause of the chronic disaffection and miserable condition of the South and West of Ireland, is the theory put forward by those who are compassing the confiscation of the landlords' property for their own benefit. It is alleged that these exorbitant rents, caused by excessive competition among an ignorant tenantry too weak to protect themselves by contract, exist to a large extent, and now afford an excuse for annulling contracts and dealing with landlords as a proscribed class. All the misery and destitution, say the agitators, and all the crime and violence in Ireland, have been caused by the rack-renting and oppression of landlords. The Revolutionist makes this the pretext for his communistic theory, "Abolish landlordism," and the Ribbon assassin on the like ground seeks to palliate his deeds of blood.

The less violent, but really more dangerous, politicians, promoting doctrines just as destructive of peace and order, insist that all Irish landlords shall be driven from the open market and deprived of all power of contracting with their tenants; and so they invent all sorts of schemes for ascertaining a "fair rent," and demand that rents shall be

fixed by "statute," or by "arbitration," or by "Government Valuators," or by "County Court Judges," or by "Juries;" or finding all such schemes impracticable, they propose to buy out the landlords at the expense of the State, and, thus, as they think, for a few years at least, abolish landlordism and rent. It will therefore be important to consider what is a "Fair Rent," or whether, upon any sound principle of Political Economy, there be in the abstract any such definite thing as a "fair rent" other than the rent fixed by contract between parties, or by the rise and fall of the market, according to the rules of "supply and demand."

The several ideas intended by different classes to be conveyed by the words "Fair Rent," are as numerous and as various as the different classes concerned. The directions given in the Act of 1852 as to the valuation, (it being merely for the purposes of taxation) were, that it should be made upon an estimate of the net annual value of the land with reference to the average prices set out in the schedule, local circumstances being taken into consideration. The rule in the same Act for the valuation of Houses pointed more fully to the sound principles of Political Economy. It was this—"the rent for which one year with another the same might in its actual state be reasonably expected to let from year to year," the costs of repairs and taxes being paid by the

tenant. These were the directions under which Sir Richard Griffith's valuation was made.

The definition given by the Land League agitators was that "the tenant-farmers should feed themselves and their children, live comfortably and decently, keep their cabins neat, and send their children to school, and if there was sufficient left, pay the landlords the rent they demand."* Or another short cut for ascertaining fair rent—"Let those that have too high rents ask the landlord to reduce them by 50 or 60 per cent., and if he refused, pay no rent." Or again, "It is the excess that is left after the farmer has paid the working expenses of his farm, after he has supported his family in comfort and prosperity, and after he has laid by something for himself."†

The nobleman of large estates will generally define it to be "the rent which he has been accustomed to get for the last twenty-five or fifty years unchanged." An enterprising purchaser will say that it means "such profit as the land would fairly yield one year with another under a proper course of tillage with sufficient capital." The speculating purchaser will say it means, "the most that he can obtain from the tenants without leaving the land idle;" while the farmer that sublets will say that, "the fair rent to his landlord is something about Griffith's valuation or under it;" while to

* Speech of Mr. Davitt in Dublin, June 13th, 1879.
† Speech of Mr. Dillon at Maryborough, in Oct., 1879.

anyone coming in as sub-tenant under him, he will at once say that "a 'fair rent' is the utmost he can obtain in the market from the farmer, the shopkeeper, artizan, or labourer, that has money and wants land."

Amid this general conflict of opinion, therefore, anyone who desires to have a clear view of the subject must first determine what is meant by the term "fair rent" according to sound principles of Political Economy; and any statesman proposing to deal with the Irish problem, must consider it with an especial reference to the present number and character of agricultural holdings in Ireland.

In ascertaining what a tenant could fairly pay as rent, the first question is, What will the land produce by a fair amount of capital and skill? This would be the gross produce. Out of this there should go to the tenant full remuneration for the seed, and labour, and purchased manure properly expended, and for his skill in management; a fair interest upon all his capital invested in stock and implements, or paid for fine to the landlord, or for improvements with the landlord's consent; and there should then be deducted the amount of the taxes upon the land. The sum remaining would be net profit arising from the use of the land, which has enabled the tenant to employ his industry and skill, and afforded him the means of investing his capital. This residue constitutes the rent of the land, and the average residue of such gross

produce, taken upon a number of years, would be a "fair rent."

During the continuance of the old system of unscientific farming, there was a sort of rule that the gross produce, when ascertained, might be fairly divided into three parts. One-third for the seed, labour, and taxes, and for the tenant's skill, one-third for interest upon the tenant's capital, and the remaining third for rent. Under the present system of scientific farming which might and should prevail, the question of what is "fair rent" depends upon so many uncertain and varying elements, it is not to be wondered at that such opposite opinions are entertained. An investigation of these elements will show the difficulty, if not the impossibility, of laying down any abstract rule, and the certainty that any plan for fixing rents other than freedom of contract would work the greatest injustice, sometimes on one side, and sometimes on the other.

CHAPTER II.

II.—What is a "Fair Rent"?

1st. *Necessity of Ascertaining what is the Gross Produce*, pp. 8 to 23.—Gross Produce of Tillage more than Pasture, p. 8.—Small Holdings do not produce Cultivation, p. 9.—Smaller Proportion of Land tilled in Ireland than in England or Scotland. Tables, p. 10.—The Produce of Land, as of Mill or Mine, &c., depends on the Skill in Working, p. 10.—Suppose Amount of Produce fixed, Prices must be ascertained, p. 12.—Increase of Prices since Griffith's Valuation, Tables, p. 14.—It is said, "The Land belongs to the State"—Fixing Price of Land, p. 16.—Why not fix Price of Produce of Land? p. 17.—Application, p. 18.—The Right of Property and Freedom to Contract, the precious Inheritance of a free People, p. 20.—Tables of Lettings, p. 22.

2nd. *What should be allowed as a fair Remuneration for Labour*, pp. 23 to 30.—Effect of Machinery—Small Farms would not support the Tenants if Rent free, p. 23.—Testimony of Mr. Tuke, p. 24.—A Clare Estate, p. 25.—One great economic Cause of Discontent of Farmers—Rise of Wages, p. 25.—Work on Small Farms like Work of Hand-loom Weavers, p. 29.—Cotton Famine, p. 29.—Evil Consequences of Valuation of Rents, p. 30.

3rd. *Interest on Tenant's Capital should be deducted from Produce*, pp. 30 to 44.—Working Capital on Small and Large Farms, p. 30.—Capital paid as Fine or Purchase, p. 32.—Limited Tenant-Right, p. 37.—Unlimited Tenant-Right, p. 38.—Tenant's Improvements not Secured, p. 39.—Suggestion, p. 42.

In order to form a correct idea of what would be a "fair rent" of land, three things, which should form the principal and essential elements of any correct valuation, must be ascertained. *First*—What is to be set down as the probable gross

produce? *Second*—What should be deducted for labour and skill, and for seeds and manure purchased? And *third*—What should be deducted for interest on the tenant's capital? It will be necessary, therefore, to examine each of these questions in reference to the present position of agricultural holdings in Ireland.

1*st*. *What is to be set down as the probable gross produce? Under what sort of tillage or other management? And upon what scale of prices?*

If the land be chiefly in tillage, everyone knows that, with good manuring and high farming, the produce of every cultivated acre may be increased twofold, or threefold, or more, beyond what the produce would be from bad farming. If the land be chiefly under grass, the return of profit will depend upon having the stock which are suitable to the land, and upon judicious buying and selling. Whether the land be in tillage or grazing, the produce will depend upon the amount of capital judiciously expended. Is the estimate, then, to be made upon the basis of the course of farming usually pursued by the tenants of small farms using the worst implements, and having the most inferior stock—without a rotation of crops—without stall-feeding, or other means of making manure? Is it to be an estimate of what small farms, under such a bad system, do actually produce? or of

what, if fairly treated, they would certainly produce? Is the grain, which often varies, according to sample, from 10 to 20 per cent., or the butter, which often varies, in the same market, as much as 35 per cent., to be taken at the prices of the worst samples, the usual result of bad farming, or at the average prices obtained for the produce of good farming? All this is of the utmost importance with reference to any scheme for compulsorily fixing the amount of rent. If all this is to be ascertained by the testimony of witnesses, every bad farmer will necessarily, and may, even with truth, swear down the produce and the profit to his own experience of bad farming.

In this matter of the amount of produce obtainable from the land, considered as an element of rent, a comparison of the statistics of Ireland with those of the other parts of the United Kingdom suggests subjects for grave reflection. They show that while the average size of the holdings in England is vastly greater than in Ireland, the quantity of arable land actually tilled in Ireland is only about one-half the relative quantity tilled in England or Scotland. See Table I., next page.

TABLE I.
DISTRIBUTION OF ARABLE LAND IN THE UNITED KINGDOM IN 1880.

	Arable land.	Distribution of Arable Land.			Per centage in crops and Fallow.
		Pasture and Meadow.	Crops and Fallow.	Woods.	
England ...	26,031,700	14,108,097	10,488,169	1,435,434	40.3
Wales ...	2,929,651	2,138,103	629,413	162,135	24.8
Scotland ...	5,549,830	2,615,098	2,123,029	811,703	38.2
Ireland ..	15,697,705	12,171,173	3,186,683	339,849	20.3
United Kingdom	50,208,886	31,032,471	16,427,294	2,749,121	

So that while in England and Scotland, under large farms, you have in the former 41 per cent., and in the latter 44½ per cent. of all the arable land actually tilled; in Ireland, with small farms and superabundant agricultural labour, you have only 21 per cent. of the arable land actually tilled.

Produce, then, being the chief element of rent, the gross produce of Irish land should be estimated at what it might be if the land were fairly tilled; and not at what it is while the land is left comparatively idle. If a mill is to be valued for letting, the value will be according to what the mill is capable of producing, not according to the profit (if any) that might arise from it while left idle three days in the week. The value of an iron mine, or coal mine, or lead mine, cannot be set down at what it would produce annually if insufficiently worked, which might be nothing. Cows are let to dairymen according

to their milking qualities and the expected average price of butter. If a dairyman makes butter which is unsaleable or only worth half the market value, he cannot expect to regulate the hire of the cows by the loss consequent upon his own want of skill, much less can he expect to keep the cows still on hire and pay a diminished price, to suit his own neglect or unskilfulness. The price of the hiring should be regulated by what the average profit would be under fair management, and the same rule must be applied in estimating the fair produce of land as an element of rent. If, again, the landlord and tenant are considered partners, the working partner is not entitled to work the concern, so that its produce shall merely pay his own working expenses, and leave no margin of profit to the other partner, who is the owner. If a fixed payment in lieu of profits has been agreed on, he is bound to pay that amount or give up the concern. The measure of the incapacity of the working partner would be a very unjust standard of the fair produce or profit of the concern. The only possible way, therefore, to do justice is to leave each party to make his own estimate of the probable amount of produce, and fix his own liability by his own contract. By this means the man who is conscious of his own inability to obtain from the land more than a given produce, may be saved from putting himself in a position for which he is unequal, instead of being lured into it by Government or other valuators. He can then

have no great cause for complaint, for he is himself the author of his own position, and honesty demands that he shall fulfil his contract or surrender his land. If, on the other hand, the rent is fixed by Government valuators, no Government could stand the storm of agitation and discontent, that would perpetually be fanned into a flame amongst the farmers, against the legislative or executive authority, or the English Government, who would be looked upon as the direct cause of all their future misery.

The average prices must next be ascertained. Suppose all these difficulties overcome, and the quantity of the agricultural produce fairly arrived at, it will still be necessary to ascertain the average prices of that produce. The rent to be paid for the land must be based upon the prices of the produce of the land. If rent, then, is to be no longer the subject of contract, but to be fixed by Government valuation, or some valuation external to the contracting parties, why should not the price of the agricultural produce be fixed in the same manner? Land is of no value except in respect of what it produces. Every argument for fixing the price of land applies equally for fixing the price of its produce.

The scale of prices for "Griffith's Valuation" was set forth in the Statute of 1852; and such has been the increase in price of every description of produce since then, that as compared with 1873, corn was, on an average, nearly 52* per cent.

* See Table in Land Committee's Paper, No. 1, page 27, and Table *infra*.

higher, and butter and fresh meat 82 per cent. higher than the prices set forth as the basis of that valuation. And the average of prices for 30 years, as in Table II., has exceeded the prices in the statute from 58 per cent. (on oats) to 81 per cent. (on beef). On small farms, the tenant as against the increase in the price of corn will set the increase of wages; for he should be entitled to have his own labour remunerated at the price of the labour market.

In grazing farms the wages are so small, that nearly the entire increase in prices is clear profit.

The Tables show the increase in prices of butter, meat, and stock for the last 25 or 30 years. Table II., the average of prices in the Belfast market for 30 years, from 1850 to 1880, compared with the prices in the Valuation Act of 1852 shows an increase. In butter, 72 per cent.; in beef, 81 per cent.; in mutton, 66 per cent. In pork the prices are not reliable, because American produce is quoted at little more than one-half the price of Irish produce, as in 1880, 38s. 6d. to 60s.

The increase simply between 1852 and 1880 is much greater.*

Table III. shews an increase in prices at Ballinasloe Fair, from 1851 to 1880. Upon oxen, 136 per cent.; heifers, 90.9 per cent.; wedders, 50.6 per cent.

Table IV. shews a like increase of prices in the Dublin corn and meat market.

* See table of prices in twenty-four principal towns in Ireland from 1851 to 1876, and in Dublin, 1880, *post*, page 81.

TABLE II.

AVERAGE PRICES IN BELFAST MARKET ON FIRST WEEK OF DECEMBER IN SEVERAL YEARS.

	Prices in Valuation Act, 1852.	1856. Per 112 lbs.	1862. Per 112 lbs.	1876. Per 112 lbs.	1880. Per 112 lbs.	Average for thirty years, 1850 to 1880.	Increase of 30 yrs. average above prices of in Act,'52
	Per 112 lbs.	*From* *to*	*From* *to*	*From* *to*	*From* *to*		Per cent.
		s. d. s. d.	s. d. s. d.	s. d. s. d.	s. d. s. d.	s. d.	
Wheat (White) ...	7 6	10 6 - 14 0	8 6 - 11 0	10 0 - 10 6	10 9 - 11 6	10 10¾	73.
		10 0 - 13 9	7 6 - 10 3	7 9 - 10 3	10 9 - 11 6		
Oats	4 10	7 10 - 8 3	7 0 - 7 10	7 3 - 8 5	6 6 - 7 4	7 7½	58.
Flax, per stone ...	6 1½	— —	*8 0 - 15 0 (1866)	7 0 - 9 0 (1877)	5 6 - 9 3	9 1½	49.5
Pork	32 0	55 0 - 62 0	37 0 - 44 0	40 0 - 55 0	38 6 - 60 0	43 2	
Butter	65 4	107 4 - 119 0	84 0 - 100 4	137 8 - 147 0	126 0 147 0	112 0	72.1
†Beef	35 6	50 0 - 60 0	54 0 - 60 0	70 0 - 85 0	60 0 - 70 0	64 2	81.0
†Mutton	41 0	56 0 - 66 0	60 8 - 70 0	76 0 - 98 0	65 4 - 84 0	68 6	66.2
‡Milch Cows ...	—	12 0 - 17 0	10 0 - 18 0	14 0 - 24 0	12 0 - 22 0	16 6 0	
‡Two-year-olds ...	—	7 0 - 11 0	8 0 - 12 0	10 0 - 16 0	9 10 - 15 0	10 0 0	
‡One-year-olds ...	—	4 0 - 8 0	5 10 - 7 10	5 0 - 12 0	5 0 - 11 15	5 19 3	

The above Table is compiled chiefly from a return made by the Clerk of the Belfast Markets.
* Flax is given for the years 1866 and 1877 as the prices are not given for the other years.
† The prices of beef and mutton are from the "Dublin, Note" for first week in December.
‡ The prices of cattle are from the "Fair Notes."

TABLE III.

PRICES AT BALLINASLOE OCTOBER FAIR OF STOCK YOUNG AND OLD, BEING THE AVERAGE OF THE PRICES OF STOCK RECORDED OF THE 1ST, 2ND, 3RD, AND 4TH CLASSES OF OXEN, OF HEIFERS, OF WEDDERS, AND OF EWES.

	Average Prices of Stock of 1st, 2nd, 3rd, and 4th Classes at Ballinasloe October Fair.							Increase from 1851 to 1860.	Increase from 1851 to 1870.	Increase from 1851 to 1880.
	1851.	1855.	1860.	1865.	1870.	1875.	1880.			
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	*Per cent.*	*Per cent.*	*Per cent.*
Oxen ...	7 12 6	16 1 10	14 18 1	15 18 1	15 18 9	15 17 0	18 0 0	95.4	109	136
Heifers ...	9 12 6	15 5 0	14 6 3	15 2 6	15 17 6	14 15 0	18 7 6	48.7	64.9	90.9
Wedders ...	2 0 0	2 5 9	2 7 7	3 0 0	2 17 7	2 15 9	3 0 3	18.9	43.9	50.6
Ewes* ...	2 0 6	2 0 0	2 4 3	3 15 0	3 2 6	2 13 3	*2 6 3	9.2	54.3	15.4
Total of Four Averages								172.2	272.1	292.9
Average of all Stock								43	68	72.2
Average, omitting Ewes†								54.3	72.6	92.5

* Ewes were a very high price in 1851, and were an exceptionally low price in Ballinasloe, in 1880, on account of the wet season of 1879 affecting sheep in the West of Ireland. † The average is, therefore, also given of the other stock, omitting ewes.

TABLE IV.

SHOWING THE INCREASE IN PRICES.

Per 112 lbs.	Prices in the Valuation Act, 1852.	Average Prices, 1873.	(Bill) Proposed Valuation Prices, 1877.	Dublin, 1878.
	s. d.	s. d.	s. d.	s. d.
Wheat ...	7 6	12 0	10 0	10 7
Oats ...	4 10	6 10	7 8	8 4⅔
Barley ...	5 6	8 6	8 4	9 0
Flax... ...	49 0	66 7	60 0	60 0
Butter ...	65 4	110 0	121 0	135 0
Beef ...	35 6	70 0	70 0	65 0
Mutton ...	41 0	74 0	74 8	74 6
Pork ...	32 0	50 0	51 4	38 10

Next, it is said that the land "belongs to the State," and that, therefore, the State is justified in arbitrarily fixing rents. If so, the State should use it for the benefit of all, and not for the benefit of a limited class. There are only 298,398* holdings in Ireland, containing over fifteen acres each, representing 298,398 families, or say one and a quarter millions of people, but there are 277,642 holdings under fifteen acres, the holders of which would get more land upon much easier terms from the landowners, than they could ever expect to get it if all the land was given to the farmers now in occupation. These would represent another one and a quarter millions. Then there are 320,000 farm-labourers, representing

* See the tables for the year 1879 in Eason's Almanack for 1881, page 136.

another one million, to whom may be added a quarter of a million more who have made money in trade and business, and want land, making together two and a-half millions of people in Ireland, whose interests are sought to be directly sacrificed, without any semblance of justice, for the benefit of the one million of the farming class. It is the old argument of "force and fraud." To put it shortly, "The land belongs to the people, and we, the farmers, who now have the franchise, are the people: therefore, it belongs to us."

The agricultural labourers, the starving artizans, the dwellers in towns, the tens of thousands of industrious men and women, who would be glad to toil hard and earn a livelihood, if they had remunerative work every day at their door, as thousands of indolent occupiers of the soil in Ireland now have, would be as well entitled to have the price of potatoes, and corn, and meat, and butter, and eggs, the produce of the land, reduced and fixed for their benefit, as the farmer to have the rent reduced and fixed for his benefit. The perilous fallacy in this mode of arguing that "the land belongs to the State," consists in supposing that the State can in a wholesale manner alienate the interests of the owners of land, or ignore or override the private rights of property, unless upon clearly proved public necessity, in accordance with justice, and upon making the fullest compensation. These rights are the source and spring

of almost every human industry. They constitute the chief difference between a savage and a civilized society; and the Government or the Parliament that acts upon the principle of any general ignoring of them, must lead the nation on the certain road to bankruptcy and anarchy.

Passing over the inconsistent demand of the tenants to have a free right of sale of their farms, while they would refuse to the landlord a free right of letting, why should the tenant class, contrary to all principles of free trade, be protected from the natural and necessary consequences of competition in the price of the land, while left at liberty to avail themselves to the utmost of any competition with regard to the prices of the produce of the very same land?

There is neither reason nor justice in the notion that the middle-class farmers of the present day, because they have votes and have been able to return members to Parliament, should dishonestly use that political power for their own aggrandizement—for the purpose of securing for themselves, without purchase and without title, the sole and permanent possession of the land of the country and at a fixed rent, to the exclusion, not only of the present owners, but of every other class.

Apply this to an individual case. A holding falls vacant, containing, say, over one acre Irish, and under fifteen acres. There are now 227,502 such holdings in Ireland, being over 44 per cent. of

the entire number of holdings. Griffith's valuation is, say, £1 an acre. An adjoining tenant, A, who has a small holding of similar land, paying £1 5s. an acre rent, offers the same price for the vacant farm, and says, perhaps with truth, that he could not make more out of it. The landlord replies, "Your farm is very much underlet. Although you may be poor upon it, other lands of the same kind pay much more, and yet are manifestly enriching the occupiers. When a tenant sublets, he gets three times that price. But as you and your family have been there for many years, I have been unwilling to make any change with you in your own farm; but certainly will not give you another farm to be left almost unproductive by your neglect, or want of skill or capital." B, another adjoining tenant on the same estate, a large farmer, offers £1 10s. an acre for it. He says:—"My large farm joins it. I have a reaping machine, a threshing machine, a full stock of farm implements and horses. Give the vacant holding to me. I will level all the useless fences, and thus add five per cent. to the area of the holding, and can cultivate it at one-half the cost required if it remain as a small, separate farm. It will, therefore, be worth £2 an acre to me." But a third tenant, C, adjoining at the other side, says:—"That holding is well-watered, most suitable for grass, and would be more productive in that way than any other. I keep a large dairy farm. I would manure it highly; lay

it all down to grass, and thus save payment of high wages for labour. Griffith's valuation in 1852 was £1 an acre, upon a basis of butter at an average price of 64s. per 112 lbs., and beef at 35s.; but in 1876 the average of butter was 130s., and of beef 70s. per 112 lbs.; and his valuation now, according to the change of prices, would be over £2 an acre, and I am ready to give £2 an acre." The landowner replies to C:—"Your offer is reasonable, and desiring a solvent, permanent tenant at a fair rent, I am willing to accept your offer of £2 an acre." Now, by what principle of law, human or divine, by what code of morals, by what precedent of any nation, having any pretence to freedom, would the State be justified in stepping in between these two contracting parties, the one freely willing to hire and the other to let, and arbitrarily preventing them from doing so. For what reason should they interpose the *fiat* of perhaps an incompetent valuator, or arbitrator, or an uninformed and misguided land tribunal, or County Court Judge, to fix another valuation, to forbid a contract, and impose instead an arbitrary and tyrannical law, fixing an arbitrary price not consented to by either party.

The unrestricted enjoyment of property and freedom of contract are among the most precious inheritances which a free people can possess; and if these rights of landowners are trampled on to-day to appease the violent demands of the tenants, who

happen now to monopolise the franchise power, the time would soon come when the landless class would improve upon the precedent in their dealings with these same tenants. If, then, the State has no right to interfere to prevent or control a contract about to be made, what shadow of right is there for their interfering to annul contracts already made and acted on for years, or to alter their terms to the prejudice of either party. If it were possible that for any Imperial State reasons, it became absolutely necessary to take such a perilous course as to interfere with these contracts, the first duty of the State, according to the dictates of justice and honesty, would be to place each party again in their original position. If tenancy be a contract of hiring, the tenant, upon payment of compensation for his improvements, should give back to the landlord the land which he had on hire. Or if the tenancy be considered as a partnership, the landlord should in like manner get back his land that he had put into the partnership. But to continue the hiring or partnership, and alter the terms compulsorily, as suggested by many men who think themselves most moderate, would be contrary to reason and natural justice.

Lest any should think this case of relative valuation and prices is overdrawn, a few actual cases are given in the subjoined Table.

TABLE OF ACTUAL LETTINGS, SHOWING THE REAL VALUE AS COMPARED WITH GRIFFITH'S VALUATION (OMITTING ANYTHING LESS THAN £1 OR ONE ACRE.)

County, and Nature of Holding.	Quantity.	Griffith's Valuation.	Price at which land let, or sold subject to the rent,—in rent and purchase.			Percentage of rent over valuation.	Observations.
			Date.	Rent.	Purchase or Fine.		
	Acres.	£		£	£		
*Limerick—Aggregate of five farms	915	270	1874	437	3610	142	Leases, 35 or 50 years.
*Cork—one farm ...	57	50	1876	97	—	94	Do., 31 years.
*Clare—several tenants	1447	433		928	—	114	Landlord's interest sold in 1877 at 27½ years' purchase.
†Louth—one farm ...	6		1879	28	sublet		(This was a subletting. Landlord's rent was £14.
†Do. one do. ...	4	7 5	1879	28			The landlord's rent was only £10 10s. for 4½ acres.

* See Land Committee's Papers, No. 1.

† See reports of law cases in the *Irish Times*, November, 1879.

2nd. What should be allowed out of the gross produce as a fair remuneration for labour, and for Seed and Manures purchased?

In the matter of labour, everything depends upon the size and circumstances of the farm. By the use of agricultural machinery, the labour upon 100 acres, all in one farm, could be performed at as little expense, and with more efficiency, than the labour on perhaps forty acres divided into five farms. The loss in working a small farm, by the inability to keep horses for ploughing, by the fields being broken into small patches, by the necessity for cutting, and threshing, and preparing corn by hand-labour, and such like, would double the cost of production. It may be quite true that when such small farms exist, it would be harsh and in many cases unjust, to make any sudden change, or perhaps any change, unaccompanied with other suitable employment for the occupiers; but all we are now considering is the legitimate cost of production as an element of "Fair Rent." If a tenant with a working family has only five or ten acres, which would not employ them for one-third of the year, is he to be entitled to claim, as his share of the produce of the farm, remuneration for the labour, as if he and they had been fully employed for the entire year? This is one of the principles of the Land League—"Let the farmer first feed and clothe himself and all his

family respectably, let him hold the harvest, and take out of it sufficient for all the necessaries and some of the comforts of life, according to his own desire, and if anything be left, give it to the landlord." Here, then, before we even think of the mode of ascertaining a fair rent, we are brought face to face with an elementary problem going to the root of the whole matter—What should be allowed out of the gross produce of the small holdings as a fair payment for the labour of the tenant upon them? Numberless letters of eye-witnesses, and of persons of local knowledge, have shown in various ways that in many cases the tenants could not live on these holdings, though they had no rent to pay.

Mr. Tuke, in his pamphlet, says (p. 91):—"It matters not whether a man has fixity of tenure, or, being a peasant proprietor, has no rent to pay, he cannot, unless he has some other source of income, live and bring up a family on the small farms under ten or fifteen acres of land which form so large a proportion of the holdings in the West of Ireland." He gives again, at p. 60, an account of some villages in the Island of Achill. No. 1 has "forty-seven tenants, whose total rental is £130 a-year, holding 180 to 200 acres of arable land." No. 2 has "ninety tenants, whose rental is £240, holding about 360 to 400 acres of arable land." The first supporting 250 persons, the last 450 persons; so that the rental would be about ten shil-

lings a-head. He gives an account of an estate in Donegal where, on a rental of £8,000 a-year, "the rents did not average £5 a-year each." In a little pamphlet entitled, "An Account of Emigration," a property is mentioned in the County Clare, from which three vessels of emigrants were sent away by the owner in 1848, all of whom were fully provided for, and did well; but before leaving, the "entire rental of the estate would give only thirteen shillings and fourpence apiece yearly, and no more, to each person living, or supposed to live, thereon"—that is, less than a halfpenny a-day each.

In such cases, it would be the merest folly to enter upon any calculation of what would be a fair allowance to the tenant for his labour on the farm, when the merest support would more than absorb all that the land could produce, and the total remission of rent would only enrich the occupiers by a halfpenny a-day each. And for the Legislature to take the responsibility of ascertaining by any means whatever the amount to be paid as a "Fair Rent" under such circumstances, would be the grossest political blunder.

There lies at the root of the present pressure and discontent among the occupiers of small farms one great economic cause which has not been much observed upon, and which gives colour to the demand for reduced rents, or "fair rents." The wages of agricultural labourers in Ireland have increased, during the last twenty years, from a

shilling a-day, to two shillings or two and sixpence a-day in summer, and from eightpence to one and fourpence or two shillings in winter; while oats and potatoes, which the small farmers chiefly grow for their own use, and by the consumption of which they have to pay themselves for their labour, have not increased in anything like the same proportion. Consequently, the position of the labourers who work for hire has been rendered double as good as it was, while the position of the holder of a small tillage farm, who works for himself, and has no paymaster, is but little improved, and he not unnaturally looks for a remedy in the reduction of his rent. He says that the labour expended by himself and his family on the land (whether productive or not), should be first remunerated at the increased scale of wages, to be deducted out of the gross produce, in order to make him equal with other labourers. The same rise in wages has improved the position of the labourers in towns, and they and the agricultural labourers, at chapel on every Sunday and holiday, at every fair, market, and meeting, with their wives and daughters, display their improved condition, and the holders of small farms, with their wives and daughters, are naturally forced to emulate them.

A farmer, no matter how small his holding, has always been considered as superior in position to a common labourer. Why, say the land reformers, should he be obliged now to live inferior in food,

and dress, and drink? He thus insists upon continuing the unremunerative employment, and proposes to adjust the balance by absorbing or abolishing the landlord's rent, and says that no rent would be fair which would leave his position inferior to that of the well-paid labourer.

The true and only safe solution of that difficulty would be that such small farmers should cease from their unremunerative employment, and that economic causes should be allowed to work out the solution, by converting the half-employed and poverty-stricken occupiers of small holdings into well-employed, and well-paid, and comfortable labourers.

There are 227,502* agricultural holdings in Ireland, containing between one acre and fifteen acres each, these constituting considerably more than one-half of the holdings (525,900) of over one acre each. What proportion of the gross produce should, under these circumstances, be allowed as the cost of production, to fairly remunerate the tenant for his labour on such farms? If the amount were fixed according to a scale of what it would be upon a large farm, the tenant and his family might not have one-third of the ordinary wages of hired labourers. If it were fixed upon the current scale of wages only for the days actually worked, in most cases a very small margin of profit would be left—in some, perhaps, no mar-

* These are the numbers for 1879. See Eason's Almanack, 1881, p. 136.

gin. If it were fixed by allowing the tenant and his family remuneration, not only for the time they were working on the farm, but also for the period of enforced idleness when there was no other employment, there would, upon the majority of such farms in the South and West, be no margin whatever left for rent. It is clear, then, that in ascertaining the fair rent, the amount to be deducted from the gross produce for the cost of the labour expended in production should, in justice, be only such sum as would be required if the proper methods of husbandry were adopted, and agricultural machinery were used to a reasonable extent. But such payment to the occupier of a small farm for the cost of his labour, would leave him in abject misery. No reduction of rent could adequately relieve him. The only true and sound solution would be that he should cease to cling to a small farm when his labour ceases to be remunerative.

When, by the use of machinery, corn can be cut for ten shillings an acre, and threshed for ninepence or a shilling a barrel, the occupier of a small farm has no right, if he insist upon cutting with a hook, and threshing with a flail, to claim as a deduction from the gross produce, remuneration to himself for such misspent labour at the high current rate wages, amounting to £1 an acre for cutting and two shillings a barrel for threshing, and so in every other stage of farm labour. But how could

any valuator, or juryman, or Court lay down any fixed principle for estimating what amount should be so deducted for cost of production, if once the solid and unassailable ground of contract between the parties were abandoned ?

Let anyone, for a moment, recall the introduction of the cotton and woollen machinery into Lancashire some years ago. Did anyone ever dream of asking for legislative interference to compel the owners of mills and of capital to continue the use of the hand-looms. Thousands were thrown out of bread, and were starving during the transition, but did anyone suggest such a wild and fatal interference with economic laws as to ask for an Act of Parliament to compel the manufacturers to continue the use of the hand-looms (and in many cases, the looms were hired out as the land is), and thus compel the continuance of this unproductive labour. This is what is now sought with regard to Irish land: that the owners of the raw material shall be compelled to leave it for ever to be manufactured in an unproductive manner, and shall lose his profit accordingly by reducing the rent.

Again, at the period of the great cotton famine, hundreds of thousands of industrious artizans and mill-workers were thrown out of employment because the supply of cotton was not equal to the demand, and the owners of cotton would not sell it at a price which would repay the manufacturer

to work it. These hundreds of thousands of honest workers were literally starving, and had to part with their last blanket to put bread into their children's mouths, yet there was no foolish, fruitless attempt to compel mill-owners still to work their mills at a loss, or to compel the owners of stocks of cotton to sell their raw material, below the market value, in order to continue the employment, as it is now sought to compel the owners of the land—the raw material—to sell it, or to continue the working of it in the hands of those who can only work it at a loss. It was known then, as it should be known now, that those fundamental economic laws cannot be violated with impunity; that if the mode of production in any employment is such that the cost of production swallows up all, or nearly all, the produce, the employment should cease, and that the longer it be carried on, the more misery it brings upon those engaged in it, and the more loss to the nation.

If, therefore, the valuation of a fair rent was to be made upon the basis of allowing to the tenants for the cost of production, payment for all their misspent and misapplied time upon their diminutive holdings, it would be unjust to the owner of the land by misappropriating what should be his fair profit; it would tend to perpetuate the misery of the tenants by inducing them to continue in an unremunerative employment; it would be injurious to the nation by turning the industry of its people

into an unproductive channel; it would violate the settled laws of political economy, and thus sow the seeds of future misery and discontent, and, to descend to a lower platform, would contradict all the political principles of which the Liberal party in England have been boasting for the last century.

3rd. In ascertaining the Rent, there should be deducted from the gross produce interest upon the capital invested by the tenant.

The capital invested by tenant may be of two kinds—(1) The working capital invested in stock and farm implements, which every tenant must have; (2) The sunk capital which a tenant may have invested in payment of a fine to the landlord, or in the purchase of the interest in the lease, or in the tenant-right. Each of these require to be considered separately.

(1) *As to the Tenant's Working Capital.*

Here, again, the difficulty of poor tenants and small farms arises. The tenant upon a large farm, under a good system of farming, with expensive machinery and high-priced stock, would keep a capital of, say, £15 an Irish acre all round afloat upon his farm. If on an average ten per cent. for interest upon the capital be allowed, this would give him £1 10s. an acre out of the produce; while the bad tenant, who kept only £5 an acre capital afloat, would be entitled to only ten shillings an

acre out of the produce as interest on his capital. Yet the latter, when he looks at the harvest invariably thinks that although he has but a very small capital afloat, his share of the produce should be as large as that of the other, and, regardless of the cause, his bitter complaint invariably is that all the crop goes to the landlord. But the principle is clear that, as the gross produce of a farm will be in proportion to the amount of working capital of the tenant kept judiciously employed upon it, the tenant's share of that produce should be in the same proportion.

(2) *As to Capital sunk by the tenant on coming in.*

When money has been paid by an incoming tenant, either to the landlord as a fine, or to an outgoing tenant as purchase of a lease or of the "tenant-right" or good-will, with the landlord's permission, the tenant cannot have any profit from the farm, unless he gets a fair interest upon capital so expended. This at once raises a question as to fair rents, most difficult to solve upon any principles of justice.

If the money is paid as a fine to the landlord, the rent is of course reduced accordingly, and no question arises.

If the money has been paid for purchase of a lease for a given time, the tenant in like manner has the value of his money in the reduced rent during the term of the lease.

But if the money is paid by the incoming tenant to the outgoing tenant for the mere tenant-right, the question of how far the tenant is entitled to have the interest on such capital allowed in all future ascertainment of the rent requires very special consideration. The tenant-right, or mere transfer of the possession of a tenancy from year to year of the bare land, in Ulster frequently sells for twenty, sometimes for thirty-five years' purchase upon the annual rent. It is clear that in such cases, on the one hand, the existing rent is not one-half what might be paid if there were no capital sunk in the purchase of such tenant-right; and on the other, that the tenant could have no fair profit unless he retain out of the gross produce a fair interest upon his capital so expended. What is called a "fair rent," where there is tenant-right, cannot therefore be what is generally meant by a fair rent. Any valuation for the purpose of fixing rent, if it allowed no deduction for interest upon the capital payable for the tenant-right, might leave no profit to the tenant; and if it did allow such a deduction, might be grossly unjust to the landlord if an unreasonable sum was payable for the tenant-right. An incoming tenant, with money which he had no other way of investing, might purchase the tenant-right of a farm, well knowing that he could not have more than 1½ or 2 per cent. for his money. It would be clearly unfair to the landlord

to calculate interest upon such capital at the ordinary rate as an element in estimating the fairness of the rent, present or future. No general rule for valuing rent, in such cases, could be laid down in accordance with the principles of justice.

A fresh Government valuation, made upon the general principles of the natural capability of the soil, would be very necessary to correct the gross inequality of the former valuation, but would be useless for basing any legislation upon it as to rent. In Ulster, and upon any estate elsewhere subject to "tenant-right," any valuation for the purpose of fixing rent should necessarily be made upon a basis entirely different from the valuation of lands not subject to tenant-right, and should take into account the existing custom of tenant-right upon each estate, varying in value upon different estates from five to thirty-five years' purchase of the rent, or from £5 to £30 an acre.

Prior to 1870 tenant-right existed only by the laches and acquiescence of the landlord. It had, indeed, grown by long-continued uses into such a right as a Court of Equity might have fairly enforced; but then it would have only been enforced subject to all the equities of each particular case. The Act of 1870, by declaring it a valid custom enforcible in law, gave the Ulster tenant a substantial interest in the land, without limiting or defining it, and without drawing any line of demarkation between it and the property of the

landlord. So that there exist two opposite and conflicting interests in the land, each recognised by law, and the owner of each interest has a legal right practically to absorb or exhaust the interest of the other. This was the result of the crude legislation of that Act, which Lord Dufferin has so humorously described as putting the tenant into the same bed with his landlord. Whether the tenant-right be limited or unlimited, the landlord may raise the rent so as to render it valueless and unsaleable; and where unlimited sale is allowed, the out-going tenant may sell at a price (at least in good times) which will render the farm profitless at the rent. It would be idle to talk of a valuation in such a case, because the amount of purchase to be paid by an incoming tenant is and must be an unknown quantity, and the question of a "fair rent" is what could a tenant pay after deducting from the produce a fair interest upon an unknown sum of money.

This state of things existing upon many estates in Ulster, and upon some other estates, has forced many influential landowners of both parties to declare that some remedial legislation is necessary to lay down some fixed and fair principles, both as to rent and sale of tenant-right. This is a question which must be fairly faced and met, but the remedy is not to be found in a valuation of rents.

(1) *Where there is only a limited tenant-right.*

Where there is an estate rule limiting the price on the sale of the tenant-right, the rent should not be raised in respect of the tenant's improvements. If the tenant on coming in has only paid according to the rule, then in estimating the rent there should be a deduction from the gross produce for interest upon the sum so paid. If, without the consent of the landlord, he has paid beyond what is allowed by the estate rule, or has paid money to an out-going tenant where there is no tenant-right, he has done so at his own peril, and there is no claim to any such deduction. It would be contrary to all principle to compel a landlord to change a limited into an unlimited tenant-right Nothing could be more unjust than that where a landlord has intentionally left his rents moderate, in order to have a comfortable and contented tenantry, an out-going tenant should be at liberty to rob the incoming of this advantage intended for him by the landlord, and carry away for his own use the capital value of so much of the landlord's property.

(2) *Where there is unlimited tenant-right.*

The case is entirely different where unrestricted sale of the tenant-right is allowed on the estate. On such estates, no settlement of the question

is possible while these two conflicting interests of the landlord and tenant continue as at present unlimited. Their respective values must first be ascertained and fixed as of a given period, and must then remain distinct from each other, and limited in amount. The present position on such estates is this. The tenant claims, at all times, and especially when the price of agricultural produce advances, to sell at the very highest sum that can be obtained, and thus to secure to himself not only the price of his own improvements, but also all the capital value of the natural increment of the land, and all benefit arising from the advance of prices. This is simply a claim to sell the landlord's property and pocket the price. Some landlords, on the other hand, claim an unlimited right to raise the rent, checked only by their own discretion. If this was done when there had been no advance in prices from the time that the rent was originally fixed, and no local or other circumstance by which it was justified, it would be a gradual absorbing by the landlord of the property of the tenant in his tenant-right.

It is clear that both these claims would be equally unjust, and therefore, any remedial legislation must take the direction of limiting them both.

Then comes the question of securing the tenant in his improvements. This at once arises when it is sought to limit the sale of the tenant-right. The tenant's

improvements have, heretofore, always formed a part and parcel of the tenant-right, and this sometimes necessarily led to injustice where tenant-right was limited. Where tenant-right exists, there should, of course, be no limit to the right of the tenant to sell to the purchaser of the tenant-right all proper and suitable improvements, at whatever they would bring, and no power for the landlord to increase the rent solely in respect of improvements to which he has not contributed, or for which the tenant has not been compensated.

The Ulster tenants should have the same security and be placed upon the same footing, as to future improvements, as tenants in the rest of Ireland; but this is what the framers of the Act of 1870 omitted to provide for.

It will be necessary, therefore, to consider the effect of the Land Act of 1870. That Act rendered this question of tenant-right tenfold more embarrassing than it was. It gave rise to many disputes between landlord and tenant in the North of Ireland. By giving a legal sanction to the claim of tenant-right, it put landlords there on the alert to obtain more rent, and to prevent extravagant prices being paid for tenant-right, lest their interest in the reversion should thus be absorbed; and it gave the Ulster tenant no security for his future improvements. Section 4 of that Act provided compensation to be paid to the

tenant on quitting, for "all improvements made by him or his predecessors in title." But it excluded from its operation any tenant claiming under the Ulster custom. This was a righteous measure of justice to tenants not under the Ulster custom. It provided a perfect security for the investment of capital and industry on the land. It said to these tenants, that they might go on and expend their capital; and whether their tenure might be long or short, they could not be disturbed until full compensation should be paid for their improvements. But section 1, while it legalised the Ulster custom, provided that a tenant claiming it, "should not be entitled to compensation under any other section of the Act." It left the option to claim either for improvements or under the Custom; but this was valueless, because the money paid for the tenant-right was paid either in respect of improvements made half a century before, or never made, and if not claimed back as tenant-right, could never be recovered as improvements. This blunder in the Act is now seriously agitating the Ulster tenants. It has forced many of all political parties in the North to demand a change. The tenants of the other provinces have a perfect security for their improvements, while the Ulster tenants, though more industrious, with more capital and more enterprise, have no security in case of eviction. This difficulty meets them at every turn. If there are estate rules

limiting the amount at which the tenant-right may be sold, to, say, five, ten, or fifteen years' rent, the indolent tenant may sell for the full amount allowed, while the tenant who has drained, or fenced, or built houses or necessary offices, rendering the place valuable far beyond the amount permitted, will not be allowed to take more. If there is an unlimited tenant-right, the tenant will be safe, unless he is being evicted, but then the compensation for his tenant-right will be ascertained by the average amount paid upon the estate regardless of his improvements.

Again, if the landlord of a tenant-right estate should propose to raise the rent, a tenant who has made great improvements has no alternative but to submit, because, if he is evicted, he can only get from the Court the customary amount paid for tenant-right on the estate, whether it be ascertained by the limitation imposed by estate rules or by the amount usually received upon unlimited sales. He may have come in ten or twenty years before, and paid this amount himself to the outgoing tenant; he may, since his purchase, have expended large sums in real and substantial improvements; and yet, on the Land Claim, he must choose between the custom and his improvements; whereas, in justice, he should be entitled to tenant-right and the value of his subsequent *bona fide* improvements. This defect in the Act could

be remedied without any valuation of rents, and it should be remedied in order to give the Ulster tenant equal justice with the tenants of the other provinces.

In estimating a tenant's claim upon eviction, all improvements from a given date might be dealt with separately from tenant-right, and improvements prior to that date, as a general rule, included in it, if tenant-right were claimed by the tenant. Perhaps an approach might thus be made to ascertaining the rights of each, by declaring that the value of tenant-right should henceforth be ascertained, when necessary or fair, upon any dispute, by taking the average amount paid for "tenant-right" on the estate prior to the year 1870, and declaring that to be the fixed value; but with the right for the tenants, if selling to the incoming tenant, to sell all improvements made after that date; and if evicted, to be compensated, not only for the tenant-right, but for all similar improvements. This limit being imposed on the tenant's interest on the one side, a corresponding limit to the raising of the rent on their tenant-right estates should be imposed on the landlords. It might be that if the existing rents were considered to have been fair rents at the respective times at which they were originally agreed to, and to be raised only in respect of an increase of prices since then, or in respect of

the landlord's expenditure or local circumstances affecting the value, some solution might be found, and justice might be secured upon both sides; but a valuation rent, with all these conflicting elements, could never be equitably fixed upon tenant-right estates.

CHAPTER III.

Is the Rent to be Fixed or Variable?

Political Mistake to fix Rents otherwise than by Contract, p. 43.—Fixing Rents would prevent the Landlord's Expenditure on the Land, p. 44.—A variable Rent would lead to perpetual Disputes, p. 45.—Strike against Parliamentary Rents more likely and more reasonable than against Rents based on Contract, p. 46.—Danger to Civil Society from abandoning Contract, p. 47.

The next question that arises is, whether the rent so ascertained is to be fixed or variable? Suppose all these difficulties surmounted, and a "fair rent" settled upon, according to present prices, is it to remain for ever unaltered. If Parliament should commit itself to the gross political mistake of abolishing freedom of contract between the parties, and should assume the arbitrary duty of fixing the amount of rent to be paid, instead of settling anything, it would only be laying up for the nation a fresh inheritance of difficulty and danger. If from the extension of railways and any other cause there came a glut of American corn or meat in our markets; or if from continued depression of trade the demand became greatly diminished, the rents now fixed could not be maintained.

The rents fixed by Parliament should then be reduced by Parliament; the admission of the principle of Parliamentary interference in such a matter would afford then a rational and unanswerable basis for a new, a more intense, and a more widespread agitation for a Parliamentary reduction of rents. Each fresh reduction or interference would but feed the flame of cupidity and discontent, and thus perpetuate the evil. If on the other hand, prices permanently increased, the injustice of retaining the old rents would be manifest without any mode of redress existing.

The unsoundness of such a principle is patent, because this external authority, while assuming the power to determine what was a "fair rent," would be continually liable to be influenced to reduce it, but never to increase it. Again, while the good and straightforward landlord would be controlled by such a law, the grasping and oppressive landlord would be able at all times to evade it. Though he could not fix the rent beyond a certain sum, he would manage to require, as a condition of the letting, the payment of a fine, or the purchase of manure, or of something connected with the farm, under colour of which its full value would be obtained.

Besides this general change of prices there are continually local variations of endless variety, which affect prices in large districts as much as any general variation. The introduction of a rail-

way, the opening of a harbour, the deepening of a river, the execution of drainage, the opening up of a bog for fuel, all may have a local effect upon prices as great as any general causes, and then the rent would be unjust. The Parliamentary fixing of rent, by depriving the landlord of the benefit of any such change, would necessarily prevent any expenditure of capital by landlords for any such development of the resources of the country. The roads would remain unmade, the rivers unsunk, the land undrained, the houses unbuilt.

Suppose, on the other hand, that it was arranged that rents should be varied according to the variation of prices, or according to periodical valuations. Here would be at once introduced a disturbing element, which, instead of settling the relations of landlord and tenant, would provoke and almost necessitate a pertetual warfare between them. Many landlords in Ireland, as shown by the statistics of the Land Committee, have never raised their rents for 50 years. Their pamphlet, Table No. II., shows that out of an average one-third of all Ireland, there is 41½ per cent. of the land on which the rents have not been raised for 30 years, and 74 per cent. on which they have not been raised for 20 years, and that during the last 10 years, notwithstanding the great advance in prices, the rents upon only 7¾ per cent. of the farms have been raised. Many landlords would still, notwithstanding all provocation, act in the same generous spirit; but if a tenant

were entitled by Act of Parliament, upon every fall of prices to call for a reduction of rent or a revaluation of his farm, then, indeed, he would have an excuse for refusing to pay, until a new settlement was made. Another widespread repudiation of all obligations as to rent would again periodically convulse the nation, and even honest men might be induced to join in it, for it would not then be seeking to annul a contract, but only urging the legislature to undo what itself had done, and such a course would then have the necessarily implied sanction of the legislature.

A strike against Parliamentary rents would be more likely and more reasonable than against existing rents. At present, rents fixed by contract, though in many instances not half the real annual value, are repudiated and unpaid in three-fourths of Ireland. Although they are certain and, in most cases, moderate, although they are enforcible by every process of law, and may be maintained by all the police and military authority of the British Government, yet at the present moment, they cannot be recovered. If, instead of this, you substitute a rent, variable upon every change of prices, how could such a rent be enforced ? All the elements of uncertainty, of doubtful legality, of exasperating coercion upon tenants whose assent to the amount was never asked, of hatred to an impost assessed, and sought to be imposed, by an alien Saxon Government would be combined and concentrated to

increase and perpetuate discontent and endless agitation, accompanied by a more intense hatred of England. At present, the landlords, who have made the contracts, stand as a breakwater between the discontent and British law, and are well-nigh overwhelmed. Once this barrier is removed, as it certainly would be by any interference with the freedom of contract, the whole flood of agitation and violence would be directed against the continuance of British influence and British law in Ireland.

All this shows the extreme danger of leaving the solid basis of "contract," and seeking by other means to interrupt the dealings between individuals as to their private rights of property. All civil society is held together by freedom of contract between man and man, by a settled law, and authorised tribunals, to ascertain and declare the contract, and by an executive authority in the State able and willing to enforce it. When, in any country, these sure foundations are to any great extent departed from, the nation is rapidly drifting to anarchy or despotism, or, as generally happens, anarchy and bloodshed, to be immediately followed by despotism. In a large part of Ireland at present, all contracts as to rent are avowedly repudiated, and that, for the most part, by men who are perfectly able to fulfil them. Instead of there being any law to declare these contracts as right and binding, the Tribunal of the Land League sits to

declare them void. And while the State has abandoned its peculiar duty of enforcing them, the midnight terrorism of the Land League enforces their repudiation.

If rents, ascertained in a manner sanctioned by the laws and usage of centuries, supported by every code of morals, and approved by the laws and practice of every civilized nation, can now be repudiated in Ireland with impunity, by a dishonest and corrupt conspiracy, of what possible use would it be for an Act of Parliament—a mere passing opinion of an hour or a year—to settle any other rents whether fixed or variable ?

CHAPTER IV.

Manner of Ascertaining a "Fair Rent."

Various Plans suggested, p. 49.—*Valuation by Valuators*, p. 50.—Would not be assented to, p. 50.—House Rents, p. 52.—If Rents fixed by Contract cannot be enforced, no other Rents could, p. 52.—*Valuation by Land Tribunal or County Court*, p, 52.—The Violence of Agitation would be transferred from the Landlord to the Valuation Tribunal or Government, p. 54.—Decisions of such Tribunals would have no Weight, and could not act with Freedom, p. 55.—*Valuation by a Jury or by Arbitrators*, p. 56.—Same objections, p. 56.—Subject to fear or sympathy, p. 56.—The Success of "Boycotting" proves that all Evidence as to Fair Rent would be unreliable, p. 57.

The next consideration is the manner of ascertaining a fair rent. When once the natural and universal method of fixing the rent or price of land—viz., contract between the parties—is abandoned, there are, of course, numerous plans or substitutes suggested. One would make Griffith's Valuation the standard. Another would fix 25 per cent. over that amount. Another would subject the entire £20,000,000 of rental to the control of Government valuators. Another would compel the landlord and tenant themselves to appoint valuators. Another would let each case come before the County Court Judge upon the sworn testimony of the tenants of the townland or locality. Another would have a new Land Tribunal for the like purpose, before which all the farmers of the

parish could muster as witnesses, and if an unfortunate landlord or bailiff gave evidence on the other side, he would probably be unable to remain in the locality with safety.

The various circumstances that must enter into the calculation of what is a fair rent, have already been pointed out. Is the person who is to fix the rent to estimate the gross produce at what the land, by good farming, might produce? or at what, with bad farming, it may be then producing? Is he to reckon the cost of production at what might be necessary with good machinery, on a large farm, or at what is required upon a small farm? Is the tenant of five or ten acres, who, under the present system, is necessarily idle half the year, to be first remunerated out of the produce of the farm as if he were employed the whole year? Are all these various questions to be solved by the statute or by the valuator? If the latter, there will be as many different opinions as there are valuators.

A valuation by valuators would be utterly misleading and uncertain. No valuation could be made with greater care than that of Sir Richard Griffith, and yet it has been proved to be utterly fallacious. A few examples have already been given (*ante* p. 22), showing that, in many cases, that valuation was not one-third of the letting value.

If proof were wanting that no such valuation would ever be assented to by the tenants as satis-

factory, the proceedings during the present agitation, in all parts of Ireland, prove it beyond doubt. The course adopted by them has been this; where the lands were let at rents considerably over that valuation, to say they would only pay according to it; where the rents were at that amount or under it, to demand a reduction, no matter how much under the real value the letting might be. At the close of the year 1879, a memorial was sent to Lord Robert Montague from his Antrim tenants, claiming a reduction of rent, and in his reply of December 19th, 1879, he gives the following list of the rents and valuations of the farms of some of those who signed the memorial :—

No.	Rent.			Griffith's Valuation.		
	£	s.	d.	£	s.	d.
1	28	0	0	36	15	0
2	28	2	0	42	0	0
3	32	5	7	40	15	0
4	52	0	0	63	0	0
5	36	0	0	49	0	0
6	44	0	8	52	0	0
7	45	0	0	62	0	0
8	28	0	0	46	0	0

If this principle of legislative interference be sanctioned and admitted by Parliament, how can it be stopped at agricultural holdings? The

tenants of houses in towns would then have an unanswerable case for the same interference. Resolutions applying the principle to towns were passed in Limerick and Ballinasloe, and other large towns. Is the Government prepared to apply the principle to Birmingham and the manufacturing towns of Lancashire? Are they prepared to enact that, upon every depression of trade, all contracts for payment of house rent by the work-people shall be annulled? This would be a logical and necessary consequence of such ill-advised legislation.

The existing rents have been fixed by contract between the parties, and no other mode of ascertaining rent will ever have the same united support of legal, moral, social, political, and economic principles; so that if the Legislature, in a moment of weakness and folly, confess their inability to support such rents, they may prepare very soon to abandon all hope of maintaining any rents in Ireland.

Moreover, the multitude of disturbing elements already alluded to would render it impossible to have any uniformity among the valuators employed, and any fixing of rent upon such a valuation would only lead to a fresh agitation for a new valuation, and create a storm around the heads of the valuators and of the Chief Secretary, or Government that appointed them.

Valuation by a Land Tribunal or the County Court

Judges.—If the valuation was to be made by a Land Tribunal, they again could make it only by means of valuators, or upon evidence taken before them. The former mode would be no improvement upon the plan of valuators appointed by the Valuation Office. The latter would be surrounded by all the difficulties of ascertaining the rent by evidence before a County Court Judge, and would, moreover, be robbed of the prestige of a judicial decision. But how or when could such a tribunal or the County Court Judges fix the fair amount of rent to be paid? To settle the rental of all Ireland by evidence taken in court or before such a tribunal would be simply impossible. The notion is too ridiculous to be entertained. If, by Act of Parliament, such new tribunal or the County Court was to take cognizance of the matter only as soon as a dispute arose between landlord and tenant, then it should necessarily go further, and stay all proceedings in reference to the rent until the amount of the rent was so fixed. The immediate and necessary consequence of such an Act would be to necessitate immediate disputes from end to end of the country, to render every claim to rent uncertain, and thus strengthen and encourage every dishonest agitation against it, to throw discredit upon every existing rental of every estate, to annul every existing contract for the payment of rent, and cover every title to land with such a cloud of uncertainty as would destroy its

value in the market, and shake the security of every mortgage and family charge.

No legislation has as yet thus trenched upon the sacred right of contract; but the mere suggestion of such measures, and the seeming approval of them by eminent politicians, has already borne its bitter fruit in the South and West of Ireland.

The definitions of a "fair rent" given by the Revolutionary members of Parliament returned by the Land League have been already mentioned (p. 4). Mr. Dillon, M.P., at Templecurry, on the 10th December, 1880, further said, alluding to the tenants on some farms which had been held at very much over Griffith's valuation—"Have not these people purchased twice over the fee-simple of their farms?" "The justice of the case would then be, that the tenant should never pay any more, and still the landlords would be their debtors! The day is at hand when rents will cease in Ireland for ever." The tenants, without waiting for any legislation, have generally taken the law into their own hands, and, acting upon the Revolutionary principles of shallow and reckless politicians, have treated the landlords as outside the pale of civilization, and persons with whom no faith was to be kept. Annulling all land contracts by force and violence, these tenants have been offering either no rent at all, or only such rents as the cupidity or dishonesty of each might suggest.

All this violence in reference to the rent is now levelled at the heads of the landlords, because the rent was fixed by them, although in every case there was a solemn contract, although in every case the tenant was a consenting party. How would matters be mended by transferring all this violence to the heads of the Government Valuator, or the Land Tribunal, or the County Court Judges, or the English Government? What possible weight could the decision of such tribunals in such a matter have, when there was no contract and no consent? A contract as to rent, like any other contract, is based upon the immutable principles of free will, mutual consent, good faith, honesty, and justice—principles by which the social fabric of civil society is held together.

A decision of such tribunals as these upon a matter of the kind would soon have no more weight than the ephemeral opinion of an uninterested bystander. To abandon contract for any such substitute would be leaving the solid rock of mutual consent for the shifting sands of the popular opinion of the hour, or the exigencies of political party. But this is supposing that such tribunals could possibly act with freedom. The rule of every court is, that the judge or the jury can only act upon the evidence sworn before them. How would it be possible, in any case, to obtain any evidence except on the side of the tenant? At the present moment in many districts no man,

however much it might be for his own interest, dares to take land which another has surrendered. Thousands of tenants, though perfectly able and willing to do so, dare not pay the rent which they honestly owe. Terrorism is now triumphant, even over contract, and law, and executive authority, in the matter of repudiating rents long fixed, and paid, and sanctioned. How easy would its perfect triumph be over voluntary witnesses coming to ascertain and fix the amount of a future rent.

It is plain and certain that any attempt to ascertain and settle rents by any such shallow devices would only give a legislative sanction to the present reign of terror, and would extend and perpetuate its influence.

Valuation by a jury or by arbitrators.—This plan of ascertaining a fair rent remains. All the objections to valuators hold good against arbitrators, and they or a jury would not be free agents. As was remarked in the House of Commons, there would be no more justice or reason in such a course than in asking a farmer to sell his cattle at a price to be fixed by a jury of butchers. If a County Court Judge, as already shown, is a bad tribunal, a jury would plainly be a thousand times worse.

If, as occurs every day, juries, from fear or sympathy, ignore the plainest and strongest evidence upon matters of fact, how could the smallest reliance be placed upon their decisions on matters of

opinion as to rent. No man is a fit judge in his own case, and a jury would necessarily consist, almost exclusively, of farmers, who would be fixing a scale of rent for themselves. If they were farmers, who knew nothing of a rotation of crops or improved husbandry, they would necessarily and certainly estimate the produce, and consequently the rent, according to the result of their own wretchedly bad farming. In hundreds of cases at the assizes in Ireland, for the last ten years, it has been proved beyond question that the jurors are taken from a class which entirely sympathises, not only with the claims of tenants, but with agrarian crime; so that sometimes a Crown Solicitor has to exercise his privilege of directing three-fourths of the entire jury panel to "stand by," and still a verdict of conviction frequently cannot be obtained, even upon the clearest proof by several witnesses. When, therefore, jurors upon their oaths cannot be trusted, in agrarian matters, for a finding upon the plainest matters of fact, would it not be the merest mockery of justice to entrust them with a finding upon a matter of opinion as to rent?

The position of jurors, and valuators, and arbitrators, and witnesses, in such cases, may be truly estimated by a moment's glance at what "Boycotting" has done. When the state of society in Ireland is such, that every member of a large community can be influenced (it matters not

whether by design, or sympathy, or fear) to almost starve a fellow-creature who is guilty of no crime, but only happens to be a receiver of rent; when the butcher, the grocer, the provision merchant refuse to take a man's money, and sell him food; when the salesmaster, the steamship company, the carpenter, the smith, the car-driver, the coachman, the domestic servant, and the farm-labourer refuse to take a man's money, and do for him the ordinary business of their trade or employment—all for no other reason than that an organized party in that locality think fit to assert that the rent which this man has been receiving, either for himself or others, for years, according to a settled contract, is now too high—what possible reliance, in such a matter of mere opinion, could be placed upon the action of any juror, or valuator, or arbitrator, or witness? Or what additional sanction or authority for the enforcing of rent could the wildest imagination suppose that any such methods of ascertaining it would ever supply or secure? The rent that is now called a grievance would then be called a robbery. The rent which is now resisted as the oppressive claim of an alien landlord class within the country, would then be resisted as the unjust taxation imposed by the tyrannical English conqueror and its Government and agents. And thus the spirit of nationality would unite with the spirit of cupidity; and the glory of national independence would

unite with the hope of being free from rent, and the struggle would be intensified to hasten the glorious day when the "*land would belong to the people of Ireland*," and they would be released from landlordism and from the Saxon together. Statesmen will do well to consider deeply what may be the result if such a fatal impulse be given to all the elements of disaffection now struggling for a separation of the two countries.

CHAPTER V.

The Question tried by the Principles of Political Economy.

The Laws of Supply and Demand, p. 61.—Full Rents and Strict Rules better for Tenants than Low Rents and Full Liberty, p. 62.—The Latter brings the Evils of Over-population, p. 63. —*The Right to sell in the dearest, and buy in the cheapest Market*, p. 64.—To have the largest Produce by high Farming, p. 66.—To have the most remunerative Produce, Meat and Butter, p. 66.—Small Occupiers are like the former Hand-loom Weavers, p. 67.—*The Landlord is entitled to have the Cost of Production reduced to a Minimum*, p. 68.—Conclusion to be drawn, p. 69—*The past History of Tenure in Ireland confirms these Views*, p. 69.—Emigration Remedy, p. 70.—The Danger of Overpopulation still exists in some Districts, p. 71.—False Remedies would increase the Evil, p. 72.

The settled principles of political economy require that rents should not be ascertained by any arbitrary method or otherwise than by agreement.

Having now shown how extremely difficult it would be, in such a complication of interests, to lay down any general rule for ascertaining what would be a "fair rent," whether such rent was to be a fixed or variable rent, and how still more difficult it would be to find any feasible plan for ascertaining such rent, let us see whether, according to the settled principles of political economy, any such arbitrary fixing of rent would be just to the landlords, permanently satisfactory to the tenants, or likely to prove beneficial to the nation; and whether it would not rather be fraught with

the utmost misery to the people and danger to the State.

It is a well-settled principle that no trade, or business, or employment can long continue upon a secure basis unless the supply and demand can be made to fairly balance each other. This they always do in the end, by the shifting of prices, unless violently interfered with. The universal admission is that, as to Irish land, the supply is limited and the demand vastly in excess; every effort, therefore, to limit or fix the amount of rent would necessarily aggravate the evil on both sides. It would diminish the supply on the one side, and increase the demand on the other. The universal cry of the agitator is, "The exorbitant rents," "The continual raising of rents," "The land-grabbers," "The earth-hunger," "The gombeen men," "Every eviction is a sentence of death," and so forth; but according to the laws of political economy all these should diminish the demand.

This is not the place to show that any rents that could be fairly condemned as excessive are not as a rule obtained from the farmers by the landlords, against whom this outcry is raised, but are obtained by these very farmers from their own sub-tenants. Every rise in rents tends, on the one hand, to bring into the market lands which the owners would otherwise retain in their own possession, and thus to increase the supply; and on the other hand, to check the earth-hunger, diminish the demand, and

force many, who are foolishly craving for land, into other employments. While every check and limitation to the rise of rents (if in reality it were possible by Act of Parliament honestly to secure such check or limitation) would, unless in very exceptional cases, necessarily increase the profit to the tenant, and thus increase the demand for land.

Every experience in Ireland proves the soundness of these principles. Wherever on any estate moderate or even full rents have been strictly enforced, sub-letting and subdivision strictly prohibited, the tenants will be found in comfort and, until the late agitation, contented. Wherever, on the contrary, the tenants have had what is now demanded—practical fixity of tenure, low rents, total absence of estate rules, and full liberty to subdivide, they have become steeped in poverty. The province of Ulster, by reason of its trade and its peculiar system of tenant-right, stands upon an entirely different footing, for when poverty overtakes a farmer he has at once to quit. Every tenant in Ulster that fails has at once to sell, and is thus weeded out from the farming class, and goes into some remunerative employment. In the other provinces of Ireland, and particularly in the South and West, the good-nature and forbearance of a large proportion of the extensive landowners for a century past, in allowing their lands to continue at rents very much below what they could

well pay under reasonable farming, has led to much of the existing poverty and discontent. The number of ejectments in Ulster, notwithstanding tenant-right, will be found to have been always as great in proportion to the number of holdings as in any other part of Ireland.

At such low rents, many who were wholly unfitted to be farmers could still drag on a miserable existence, although not one-half of the productive power of their farms was called forth, and so they still clung to the land. Engaged in an employment in which they were their own masters, but for which they had not the requisite forethought, judgment, or skill, they kept themselves in misery, and at the same time impoverished the owners of the land. These owners, shrinking from a harsh interference with the habits of the people, and sometimes overlooking breaches of contract, disregarded the rules of political economy, and permitted the interminable subdivision of land, until the people swarmed upon it in numbers far beyond what it could bear with their system of farming. The whole produce of the land on many estates became insufficient to feed the people upon them, and there was nothing left for rent (see *ante* p. 26). The indulgence as to rent and subdivision, instead of producing comfort, as some shallow theorists would have it, produced over-population according to settled economic laws, until, on the occurrence of the bad seasons of 1846 and 1847, the

system reached its climax, and these economic laws then asserted again their resistless supremacy, and adjusted the balance by the wholesale depopulation of entire districts, accompanied with all the horrors of famine.

Again, there is no rule of political economy more settled than that each man should be at liberty to sell in the dearest and buy in the cheapest market. Not only the success of the individual, but the wealth of the nation, the development of its resources, and the remunerative employment of its people, depend upon the proper application of this principle. Well may the owner of Irish land, harassed by the continued attacks of shallow political doctrinaires, hunted down by a dishonest and communistic conspiracy of the occupiers of his land, and threatened with legislative confiscation of his property or coercion in its enjoyment, ask if he is to be the only one in the community who is to be shut out from the enjoyment of that liberty, and compelled, contrary to all justice and sound policy, to buy in the dearest and sell in the cheapest market. Is he to be compelled to continue his land for ever in the possession of those least capable of making it productive? Is he to be forced to apply to it the dearest and most unremunerative labour, that of the unskilful and half-employed small farmer, acting as his own master, and not bound to work? Are the landlords' rents to be

fixed according to the profits of such half-employed and unremunerative labour? This is a matter involving not only the just claims of the landlord, but the welfare of the whole nation. An increase in the produce of the land must increase the wealth of the nation; and, therefore, to perpetuate an unproductive system of cultivation and an unremunerative employment of the people must tend to impoverish the State.

Upon large farms, where useless fences can be levelled, a rotation of crops carried on, agricultural machinery used, and high farming adopted, the amount of produce may be twofold or threefold more than it is upon badly-tilled small farms (see *ante*, p. 8). The landowner and the State alike are interested in having the land so treated. This is the market to which, according to these principles, and according to natural justice, the land should be brought, or at least, in any estimate of what would be a fair rent of land, the produce of the land should be calculated as if it had been brought to such a market.

According to the same principles, the owner of the land is entitled to have his land employed in yielding the most remunerative produce. By the abolition of the Corn Laws in 1846, the prices of butter, fresh meat, and stock were increased out of all proportion more than the prices of corn. The former, from 1851 to 1876, increased 65 to 92 per cent.; the latter only 33 per cent. (see the

tables, pp. 81 and 15). The relative value of the produce of ground, judiciously employed in raising green crops and meat, may be twice or three times the value of the produce of same ground employed in raising corn after the fashion of badly-managed farms. It is therefore both useful to the nation and just to the landlord that land should be profitably employed, and that rent should be calculated according to the estimated fair produce under such profitable employment. One-half of all the holdings in Ireland—viz., 294,650—are under fifteen acres each, and therefore unsuited for a proper rotation of crops, for green cropping, or producing meat. Very few of the occupiers of these small holdings know anything of stall-feeding cattle or making meat, except the rearing of a pig. They seldom can make marketable butter, and they are hopelessly wedded to the old system.

Would it be just or wise to promote by special legislation the continuance of this system? or to assume that the fair produce of the land is only what results from such a course, and that a fair rent is only what could be paid under such a system? As well might the mill-owners and manufacturers of Lancashire, during the last century, have been compelled by Act of Parliament to continue the employment of the hand-loom weavers for ordinary weaving, and to pay them, not according to the price for which the

same work could be done by machinery, but according to the ordinary wages in other employments, although the produce of their unremunerative work might not be value for half their wages. The result in each case would be to stop all progress, unjustly to restrict the beneficial employment of the owner's property, to promote and continue the waste of the people's labour, and chain them to a system which perpetuates their own misery and impoverishes the nation.

The landlord is entitled to have the cost of production reduced to a minimum. As rent is the surplus profit, the cost of production must, as has been shown, be first deducted from the gross total; and whether the owner is a hirer-out of the land, or a partner with the tenant, he is entitled to have the cost of production reduced as far as possible. The cost, as we have shown, upon these small holdings, even without any fault of the tenant, must be the maximum; but this should not afford any justification for estimating the rent of such holdings, by deducting from the gross produce this maximum cost, and thus absorbing, perhaps, the entire margin of profit.

In thousands of instances, men with skill and capital, capable of making the land yield double its present produce, have been willing to give landowners largely increased rents. These men, able and willing to develop the resources of the country, are now hounded down as "land grab-

bers." The landowners have generally refused to disturb the old tenants, but this would not afford the semblance of a reason for restricting their liberty, by compelling them to reduce their rents in proportion to the present wilful waste of the productive powers of their land. If a "fair rent" were thus calculated upon sound economic principles, it would, in most cases, prove to be a much higher rent than what is now actually paid.

These arguments, as to "fair rent," drawn from the principles of political economy, have reference chiefly to these numerous small holdings which create the great legislative difficulty. The tenants of fifty acres and over can generally protect themselves. The problem requiring solution refers to the 294,650 holdings of fifteen acres and under, and to the 211,434 other holdings of over fifteen acres and under fifty acres each.

The conclusion, then, is clear that according to the laws of supply and demand, any arbitrary lowering of rents, or fixing of rents otherwise than by contract, would manifestly be unjust to the landlord, prejudicial to the tenants as a class, and injurious to the State. The great principle of allowing every man to buy in the cheapest and sell in the dearest market should be available for an owner of land as well as for any other man in the community; and, so long as he respects the legitimate and equitable rights of those now holding from him under subsisting contracts, he is, in

justice and in the interest of the State, entitled to have his land in the hands of suitable tenants with capital and skill; and not in the hands of those who leave it only half productive. He is entitled to have it devoted to the production of the most remunerative crops, and cultivated with the least cost of production, and to have the "fair rent" estimated according to these several conditions. The highest interest of the State requires that these rights should be conceded.

It is clear also that any legislative interference with these rights would be unjust to the landlord, contrary to the settled principles of Political Economy, dangerous to the permanent comfort and prosperity of the tenants themselves as a class, and calculated to increase and perpetuate among them the very worst of existing evils—overcrowding, carelessness, want of enterprise, forethought, industry, and skill, and consequent poverty and discontent.

The past history of the tenure of land in Ireland confirms this view. A like disregard of these economic laws in the past prepared the way for the gigantic catastrophe of 1847 and 1848. The landlords of Ireland who, prior to that time, were the most indulgent to their tenants, both as to the lowness of their rents, the permanency of their occupation, the free right of sale, the absence of Estate Rules, the unbounded liberty for the occupiers to do as they wished, were just those whose estates were ruined. They became a lazar house of mendicancy and misery, and the people perished by thousands at the

first approach of the failure of the potato. Wherever the land was given upon the easiest terms the demand became the most excessive; subdivision ensued, and could not be checked; over-population continued and increased, until whole villages and districts became sunk in hopeless poverty and ruin.

This policy reached its climax prior to the famine of 1847, and the same results would again very quickly follow, if, notwithstanding that terrible warning, the State were now to interfere to put a limit upon rent, and secure power to the tenants upon overcrowded estates to follow their own misguided ways.

Any legislation which would induce or influence a large portion of those now living, or rather starving, on the land, to leave it for some other employment and some other field of industry, would have the most beneficial result, and the largest expenditure by Government in this way would be the best relief; but any legislation that, by reducing rents, or limiting rents, or giving more permanency in the Holding, or checking the control of landlords or agents in the preventing of subdivision, would render the occupation of the land an interest more to be coveted and sought after, would but increase the terrible "earth hunger;" would make land still more an object of competition; and would bring about again all the evils of over-crowding, and the danger of periodical famine with every bad harvest.

This danger of overcrowding still exists in many districts.

That this is not an imaginary, but a real danger, appears from the statistics. In 1878 there were still 51,221 holdings in Ireland containing under 1 acre each. and 66,359 holdings containing between 1 acre and 5 acres each, and of these there were respectively 7,635 and 14,798 in Connaught, where there is no other employment, except at the few fishing villages. Mr. Tuke, in his pamphlet of 1880, (written by no means in favour of the landlords), admits the evil of this subdivision. He says, (p. 91) "No one can doubt that the minute subdivision of land, without any other source of income to the holders of the small plots, is one of the greatest evils which surround the land question." He says that upon one estate of £20,000 a year in Donegal, the agent informed him that the average rents were not more than £5 per holding.

Thus the history of the dealings with land in Ireland shews that a disregard of those economic laws, which imperatively regulate every industry, has led to most of the existing evils of Land Tenure. Here are 117,580 families living upon as many holdings of not more than five acres each—a quantity admitted by all to be insufficient in its present state of cultivation, to support a family, even if held rent free, and yet with no other employment. This position,

disastrous to the occupiers, and dangerous to the State, and chiefly brought about by the disregard of the principles of political economy—is now intensified and brought home to the minds of all by the fact that upon the failure of the crops of 1879, the distribution of some half million of money was deemed necessary to keep the people from abject want. The proposed false remedies of Fair Rent and Fixity of Tenure instead of healing the disease would be certain, as already pointed out, according to the settled principles of political economy, to increase and perpetuate all the miseries and dangers attending it.

CHAPTER VI.

No Legislation can prevent the Increase of Rent in some Form or other, if the Prices admit of an Increase of Profits.

Every incoming Tenant would have to pay the full Price, p. 73.—The present System of Tenure more calculated to check competition, p. 74.—Legislation would only confiscate the Property of the present Landlords for the existing Tenants, without benefit to any future Tenant, p. 75.—Statutes cannot check the Laws of Supply and demand, Usury Laws, Bribery Laws, p. 76.

So long as there are some men who have land but want money, and a great many other men who have money and want land, no legislative enactments can prevent these two classes coming together and the money of the one class finding its way into the pockets of the other class according to the law of supply and demand.

Shallow and ill-advised legislation may effect a temporary confiscation by destroying or limiting the power of the now existing landlords in obtaining increased rents from the present existing tenants; but upon every change of tenancy economic laws would again assert their resistless influence and the incoming tenant would have to pay the full price for his admission to the tenancy either in rent or purchase money according to the market value. Com-

petition instead of being checked would be increased, because the fruit of competition would be transferred from the present landlord class to a lower—a more sordid and unscrupulous class, who would stimulate it to the utmost.

This competition is at present restrained, under the existing system, upon very many estates, where landlords and agents have refused to let at auction rents, and by strict estate rules have kept a watch over and restraint upon unreasonable competition, as well as upon sub-letting, and have thus secured a large part of Ireland from the disasters which have again overtaken Donegal and the West. If this beneficial influence is now removed by law, no other means will be left for checking these evils.

In Ulster, wherever there is unlimited tenant-right the outgoing tenant admits the incoming tenant and obtains from him the highest possible price upon the sale of his tenant-right. This is proposed by some as the remedy to be applied to the rest of Ireland. Instead of limiting rents it would enormously increase them upon all incoming tenants. They would then all have the double burden, first a moderate rent to the landlord, and then another and often a larger rent by way of interest upon the sum paid for a purchase screwed up to the very top of the market. Wherever in Ulster there is a limited tenant-right, a son some estates, limited to 5, 10, or 15 years' rent; and wherever in the other Provinces no tenant-right exists, the landlord now very frequently by the

personal and constant supervision of himself or his agent does to some extent control the competition for land and limit the rent to be paid accordingly; but no legislative enactment could limit it in the same way.

Any Act preventing such a rise of rent as was justified by an increase of prices would be a direct confiscation of the landlord's property so far as it benefited the existing tenants; and instead of securing a fair rent for any subsequent tenant, it would have the direct and certain effect of increasing the price upon him, in rent and purchase money.

If it was settled that the rent could not be raised, if the power of the landlord was thus set aside, the outgoing tenant, in spite of all enactments, would find some means by which he would be able to sell to the incoming tenant the capitalized value of the difference between the existing rent and the market value of the land.

A case was reported a short time since on Lord Louth's estate, of a man who paid Lord Louth only £2 an acre and sub-let at £7 an acre, and then complained that his sub-tenant had swindled him because he had not paid him the £7 an acre in advance, and that he thereby lost Lord Louth's abatement. Such a case, instead of being an isolated case would be the rule under the proposed systems of Fixity of Tenure and Fair Rents, and no statutory prohibition could prevent it.

All experience proves the impossibility of prevent-

ing by any enactments the operation of these laws of supply and demand. Nothing could be more strict than the whole code of Usury Laws, passed to prevent a usurious rate of interest; but however skilfully constructed, however amended and re-enacted they all failed. The lender had actually to part with his money, and was deprived of any legal power to recover any more than legal interest; but still means were always found to evade the law. The Acts became useless and had to be repealed. Bribery at elections is not only immoral but has been rendered illegal, and the law visits it with serious penalties. The Ballot was introduced and it was alleged that bribery would cease as the person bribing could never tell whether he would receive any return for his bribe. Yet the irrepressible desires of mankind remained; one had money and wanted votes, and the others had votes and wanted money, and so the late Bribery Commissions have proved beyond doubt that bribery at the last election was as general as ever. In one Borough 2000 voters out of 5000 confessed that they had received bribes. So it would be with any attempt by legislative enactments to fix or limit rents. It would utterly fail of its real object, while its principle of confiscation and cruel injustice not only to the landlords but to all persons hereafter wanting land, would remain, unalleviated by any semblance of public good.

VII.—CONCLUSION.

1st. Rent is made up of so many and such complicated elements that no fixed Rules can be laid down if Contracts be abandoned, p. 77.

2nd. No Rents fixed by Statute would be free from repudiation and attack.—Whether fixed or variable, such Rents would invite fresh Agitation, p. 78.

3rd. Every Plan of ascertaining Rent would fail to command respect, p. 79.

4th. The Principles of Political Economy absolutely require that Rent should be fixed by Contract alone, p. 79.

5th. Immoral Agitation would be stimulated, and the evils of over-population increased, p. 80.

6th. The object of such Legislation would be frustrated, while its evil principle of confiscation would remain, p. 80.

Let us see then the conclusions which are to be drawn from this whole inquiry as to a "fair rent." It has been shewn,

Firstly—That rent is made up of so many and ever-varying elements, and depending upon so many and such complicated applications of skill and capital to the land, that no fixed rules for ascertaining a fair rent could possibly be laid down by any legislative enactment, nor could any tribunal be appointed which could mete out justice, if the free-will of the parties, and free contract be abandoned. It has been shewn that rent depends upon the gross produce of the land, and that this depends entirely upon the character of the farming and the amount of skill and capital expended upon it; in fact upon the judgment and the means of the farmer who has obtained the occupation,—upon his raising remunerative or unremunerative crops—upon the ever varying prices of different commodities—upon the cost of production in payment of labour, whether by machinery upon

large farms, or by half employed hand labour on small farms; that it depends upon whether a full amount of capital is employed, so as to render the raw material of the land fully productive; or an insufficient amount of capital whereby the land is left half idle, like an unworked mine or unemployed machinery, so that a decision upon a fair rent would be a decision upon each and all of these complicated questions.

In addition to all these difficulties there would arise the further difficulty, wherever the Ulster Custom prevailed, viz.: how to apportion the net produce of the land, remaining after payment of the working expenses, between the landlord and the tenant; between the interest payable to the tenant upon his capital invested in the purchase of the tenant-right, and the rent payable to the landlord for the use of his land.

Secondly—That even if the most perfect justice could be done in fixing a rent, no rent so fixed could be freed from a like systematic repudiation and attack as now prevails in Ireland. That on the contrary any such rents deprived as they would be of the solid basis of mutual assent would soon be found impossible to be maintained. That if such rents were now fixed, then, at the first fall of prices, the cry of unjust rents would again ring through the land with redoubled force, and, if variable, would invite a fresh agitation at every fall of prices, and give a legislative sanction to a future refusal of all rent until a corresponding reduction was made.

Thirdly.—That every means suggested for ascertaining a fair rent, whether by valuators, or arbitrators, or County Courts, or a Land Tribunal, or Juries, would utterly fail to command respect; that they, or the English Government, or the Legislature, would have alone to bear the full shock of the next Land Agitation, directed against rents unsupported by contract, and having no other sanction than the opinion of such Tribunals, or the force of arbitrary law.

Fourthly.—That according to the settled principles of political economy, rents should not be ascertained by any arbitrary method, or otherwise than by contract. That thus the universal laws of supply and demand would be left free to operate, and that any interference with them would necessarily bring misery to the occupier and injury to the State. That the landlord is entitled, according to every principle of justice, to sell in the dearest and buy in the cheapest market; to have his land employed in a skilful and remunerative course of husbandry, and not to be compelled either to leave it for ever in the hands of those who have neither skill nor capital to work it, or to reduce his rents to the level of such unproductive management. That he is entitled to have the land, which is the raw material in which his capital is invested, manufactured at the least cost of production, by machinery or otherwise, and not to be compelled to have it manufactured upon a system by which his entire profits might be absorbed in the waste of half employed labour. And lastly, that the highest interests of the State require that these just rights should be secured to him.

Fifthly.—That all the dangers of discontent and of immoral agitations would be stimulated by the premium of success bestowed upon them by such legislation; while all the evils of subdivision and over-population, and the consequent misery and periodic famine would be promoted instead of abated.

Sixthly.—That the avowed object of the proposed changes, namely: to keep the present occupiers in possession at moderate rents, would be frustrated, while the naked skeleton of unjust confiscation would remain. That while any great margin of profit was left the statutes would be evaded, as the Usury Laws and Bribery Laws have been; that the full value of the land would be given by every future tenant, either in rent or in purchase money, and while the landlord was robbed by the statute for the tenant of to-day, no future tenant would receive any benefit from it; the land would be more costly to him than ever, and the State or the other classes in it would derive no advantage.

As to the effect in an Imperial point of view of such legislation tending to crush out the English influence in Ireland, and of concessions to the audacious violence of those who boldly avow that they desire to destroy that influence in order to separate the two countries, it is not the purpose of this pamphlet to inquire; but it would be as well for English statesmen deeply to consider, and pause before it be too late.

TABLE.

PRICES OF CORN, BUTTER, AND MEAT FOR SEVERAL YEARS, FROM 1851 TO 1880 (PER 112 LBS.) WITH INCREASE PER CENT. ON EACH.

Produce.	*Average prices in Dublin Market, *per* 112 lbs. for each year.				Average of 7 years 1873 to 1880†	Average prices in 24 Irish Towns.‡		Increase in prices in Dublin Market.				Increase in 24 Towns
	1851	1860	1870	1880		1851	1876	1851 to 1860	1851 to 1870	1851 to 1880	7 yrs. to 1880	1851 to 1876
112 lbs.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	*per cent.*	*per cent.*	*per cent.*	*per cent.*	*per cent.*
Wheat ...	8 0½	12 2	10 4	9 3	10 4¾	7 10¾	9 1	51.3	28.5	15.0	29.2	20
Oats	5 6¾	8 8	7 11½	7 6	8 2¼	5 3	6 10	55.8	43.	34.8	47.2	35
Barley	5 10	9 3	8 1½	7 10	8 11⅛	5 7½	7 7	58.5	39.3	34.3	53.	45
Butter	70 9½	88 6	120 0	110 0	—	61 11	119 3	25.	69.5	55.4	—	70½
Beef	41 2½	65 0	71 3	65 0	—	38 3	67 6	57.7	72.9	57.7	—	71
Mutton ...	41 0	63 0	75 10	74 8	—	47 4¾	69 0	53.6	84.9	82.1	—	56
Pork	32 0	54 0	56 0	51 6	—	—	—	68.7	75.	60.9	—	—
Two-year old Cattle	135 0	200 0	200 0	245 0	—	—	—	—	—	—	—	—

* See Purdon's Almanack, List of Prices from Dublin Gazette.

† See Thom's Almanac for 1881, p. 695.

‡ See Thom's Almanack for 1878, p. 679.

The prices of corn for 1860 were exceptionally high.

REPLY

TO THE

REPORT OF THE COMMISSION ON THE LAND ACT, 1870, SO FAR AS IT DEALS WITH THE QUESTION OF "FAIR RENTS" AND TENANT-RIGHT.

SINCE the foregoing pages were in type, the Report of the Commission of Inquiry, of which the Earl of Bessborough is the Chairman, has been published, and therefore a few remarks, in answer to so much of it as deals with the questions here treated of, are added.

The paramount importance of the question of "Fair Rent" is admitted by all the Commissioners. The Report of the majority says (paragraph 48)—"Fixity of tenure without fair rent is an absurdity." The O'Connor Don, in his Supplemental Report, says (page 39)—"Obviously, fixity of tenure would be an absurdity without some control over rent-raising;" and Mr. Kavanagh says (page 55)—"The question of rent is at the bottom of every other." The foregoing pages show, therefore, most opportunely, how impossible it would be to fix or ascertain what would be a really fair rent in any other way than by contract between the parties; and this should, in fair minds, dispose of nearly the whole question of Parliamentary interference.

The Report of the majority most unjustly keeps out of view the vast difference between the position of tenants upon estates subject to the tenant-right custom, and of those upon estates not subject to it. Under heading II., it speaks (sec. 8) of "the property," "the actual interest and right of occupancy of the tenant," and the "popular consent" to this. It then finds that, instead of landlords being exterminators, as land agitators have generally accused them of being—"Farms have remained in the same families, and have descended from father to son," (sec. 9), that the tenant's "protection" in such cases has been "due to the prevailing *sentiment* which affected conduct," and thus, by a sort of

mystified generalization, the impression is sought to be produced that there is no practical distinction between tenants entitled to the Ulster tenant-right and those not entitled to it; and then, without any reason being assigned, the Report claims for each class of tenants a like property in the land, co-existent with that of the landlord. It disregards the broad and clear distinguishing fact that the tenants of one class have for centuries invariably paid for the tenant-right, sometimes as much as thirty-five years' rent, with the landlord's full consent; while the tenants of the other class have never paid anything for their possession; and then the evidence tending to show the claim of the Ulster tenant to an interest in the farm which he has so bought, is most unfairly applied generally to all tenants to prove that all have an equal property in their farms.

In Chapter II., sec. 3 (*ante* p. 36), the effect of this purchase of the tenant-right has been pointed out, from which the manifest injustice of confounding the claims of the two classes becomes apparent.

The Report then treats of the mode of ascertaining a "fair rent." The primary method suggested is that of arbitrators appointed by the parties (sec. 51), or of "a standing committee of local arbitrators" (sec. 52). Such are lauded in the Report as "men whose reputation for fairness and practical knowledge commanded the respect of the neighbourhood." . . . . "to be appointed for a term of years." As if the practical experience of the last twelve months had not clearly proved that unless such local arbitrators were prepared to do the bidding of the tenants, they would very soon be put in the same position as Mr. Bence Jones and Mr. Boycott. Chapter IV., *ante*. p. 49, shows that no such mode of fixing rents could do justice, that arbitrators would not be free agents (p. 56), that rents so fixed, having lost the solid basis of contract, could not be maintained, and that the adoption of such a course would only stimulate and necessitate fresh agitations.

Section 54 of the Report lays down rules for ascertaining a "fair rent," and admits that tenants in Ireland have, as a rule, been under-rented, and have not paid "what in England is known as a full or fair commercial rent." But again, by confounding the position of Ulster tenants, whose rents are low solely by the landlords' forbearance, it perverts this very forbearance into a reason for finding that all Irish

tenants are possessed of an interest in the land by reason of this lowness of the rents, and "proposes to secure them in that possession."

The proper and just mode of ascertaining a fair rent has been pointed out in Chapter II., *ante* p. 7, where the numerous and ever-varying elements that must enter into the calculation are pointed out.

"1st. What is to be set down as the probable gross produce? Under what sort of tillage or other management? And upon what scale of prices? (*ante* p. 8.) 2nd. What should be allowed, out of the gross produce, as a fair remuneration for labour, and for seeds and manures purchased? (p. 23.) 3rd. What should be deducted for interest upon capital, upon working capital (p. 31), where there is a limited tenant-right, and where there is an unlimited tenant-right? (p. 36.)"

Instead of all these just and necessary considerations, the Report proposes the following crude, unjust, and fallacious rule for ascertaining rent—namely, "The rents which have commonly been paid by tenants in the locality whose rents are considered fair." Suppose this recommendation imported into a statute, the first question would be, "Considered fair by whom?" The line is very narrow between this and the Land League definition, "that every tenant should pay only what he himself thinks fair" (see *ante* p. 4).

It will thus be seen that very many of the confiscating proposals suggested in the Report of the Commission have been answered by anticipation in foregoing chapters.

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